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US INVOLVEMENT WITH THE NATIONAL GOVERNMENT OF CHINA

PRELIMINARY VERSION

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RESTRICTED

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US INVOLVEMENT WITH THE NATIONAL GOVERNMENT OF CHINA

The US Government and many US citizens are associated or concerned with the Government of the Republic of China through a large number of treaties, conventions, and agreements, through mutual membership in international undertakings, and because of private claims against the Chinese Government and private investments in territory now or formerly controlled by that Government.

The following compilation lists all readily available material having to do with the question of US involvement, direct or indirect, with the Government of China. It is not expected that this compilation is exhaustive.

In some cases, pertinent details or comments follow the individual items.

Abbreviations used are:

TS - Treaty Series
EAS - Executive Agreement Series
TIAS - Treaties and Other International Acts Series
STAT - US Statutes at Large

These may be used in ordering documents carrying the texts of agreements, treaties, conventions, etc.

Treaties and agreements - multilateral

Cairo Statement (November, 1943)

In the general statement issued at the conclusion of the Cairo Conference, the US, the UK, and China agreed that:

> "They covet no gain for themselves and have no thought of territorial expansion. It is their purpose that Japan shall be stripped of all the islands of the Pacific which she has seized or occupied since the beginning of the first World War in 1914, and that all the territories Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China...."

Yalta Agreement (February, 1945)

The Yalta agreement between the US, the USSR, and Great Britain provided that the USSR would enter the war against Japan on certain conditions, including the following:

(1) That the status quo in Outer Mongolia be preserved.

(2) That the commercial port of Dairen be internationalized, the preeminent interests of the Soviet Union in this port being safeguarded and the lease of Port Arthur as a naval base of the USSR restored.

(3) That the Chinese-Eastern Railroad and the South Manchurian Railroad be jointly operated by the establishment of a joint Soviet-Chinese Company, it being understood that the preeminent interests of the Soviet Union be safeguarded and that China retain full sovereignty in Manchuria.

Moscow Agreement (December 27, 1945)

Occupation of Japan

Under the terms of the Moscow Agreement, China is a veto-power member of the Far Eastern Commission and has a representative on the Allied Council for Japan.

Korea

The Moscow Agreement also provides for the establishment of a US-USSR Joint Commission to "assist the formation of a provisional Korean Government" and "to work out measures for helping and assisting the political, economic, and social progress of the Korean people, the development of democratic self-government and the establishment of the national independence of Korea." The recommendations and proposals of the Joint Commission, under the terms of the agreement, would be submitted to the governments of the USSR, the US, the UK, and China for consideration.

Although this provision is obviously not operative, the Moscow Agreement itself has not been formally abrogated.

Nine Power Treaty* (February 6, 1922)

In the Nine Power Treaty of 1922, the US, Belgium, the British Empire, France, Italy, Japan, the Netherlands, and Portugal agreed:

(1) To respect the sovereignty, the independence, and the territorial and administrative integrity of China;

(2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government;

(3) To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China;

(4) To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly States, and from countenancing action inimical to the security of such States.

Article III further provides:

> With a view to applying more effectually the principles of the Open Door or equality of opportunity in China for the trade and industry of all nations, the Contracting Powers, other than China agree that they will not seek, nor support their respective nationals in seeking --
>
> (a) any arrangement which might purport to establish in favor of their interests any general superiority of rights with respect to commercial or economic development in any designated region of China;
>
> (b) any such monopoly or preference as would deprive the nationals of any other Power of the right of undertaking any legitimate trade or industry in China, or of participating with the Chinese Government, or with any local authority, in any category or public enterprise, or which by reason of its scope, duration or geographical extent is calculated to frustrate the practical application of the principle of equal opportunity.
>
> It is understood that the foregoing stipulations of this Article are not to be so construed as to prohibit the acquisition of such properties or rights as may be necessary to the conduct of a particular commercial, industrial, or financial undertaking or to encouragement of invention and research.

*TS 723; 44 Stat. 211

China undertakes to be guided by the principles stated in the foregoing stipulations of this Article in dealing with applications for economic rights and privileges from Governments and nationals of all foreign countries, whether parties to the present Treaty or not.

Surrender of Japan

Terms of surrender by Japan. Signed at Tokyo Bay September 2, 1945.

EAS 493; 59 Stat. 1733.

Charter of the International Military Tribunal for the Far East. Established by proclamation of the Supreme Commander for the Allied Powers January 19, 1946. Amended April 26, 1946.

TIAS 1589

Peace Treaties

Treaty of Peace with Italy. Signed at Paris February 10, 1947.

TIAS 1648

United Nations

Declaration by United Nations. Signed at Washington January 1, 1942.

EAS 236; 55 Stat. 1600.

Charter of the United Nations and Statute of the International Court of Justice. Signed at San Francisco June 26, 1945.

TS 993; 59 Stat. 1031

On October 26, 1946 China accepted compulsory jurisdiction of the International Court of Justice under article 36 of the Statute.

Constitution of the United Nations Educational, Scientific and Cultural Organization. Concluded at London November 16, 1945.

TIAS 1580

Constitution of the International Refugee Organization. Opened for signature at New York December 15, 1946. Not yet printed.

Constitution of the Food and Agriculture Organization of the United Nations. Signed at Quebec October 16, 1945.

TIAS 1554; 60 Stat. 1886

Protocol providing for the dissolution of the International Institute of Agriculture and transferring its functions to the Food and Agriculture Organization. Dated at Rome March 30, 1946.

TIAS 1719

Constitution of the World Health Organization. Signed at New York July 22, 1946.

TIAS 1808

Protocol concerning the Office International d'Hygiene Publique. Signed at New York July 22, 1946.

TIAS 1754

Articles of agreement of the International Monetary Fund. Signed at Washington December 27, 1945.

TIAS 1501; 60 Stat. 1401

Articles of agreement of the International Bank for Reconstruction and Development. Signed at Washington December 27, 1945.

TIAS 1502; 60 Stat. 1440

Constitution of the International Labor Organization. Signed at Versailles June 28, 1919.

TS 874; 49 Stat. 2712

Instrument for the amendment of the constitution of the International Labor Organization. Adopted at Montreal October 9, 1946.

ILO print.

Convention (no. 80) for the partial revision of the conventions adopted by the General Conference of the ILO at its first twenty-eight sessions. Adopted by the International Labor Conference at Montreal October 9, 1946.

TIAS 1810

Trade and Tariffs, General Agreement

Protocol of provisional application of the General Agreement on Tariffs and Trade. Concluded at Geneva October 30, 1947.

TIAS 1700

Protocol of rectifications to the General Agreement on Tariffs and Trade. Signed at Havana March 24, 1948.

TIAS 1761

Protocol for the accession of signatories of the final act of October 30, 1947 relating to the General Agreement on Tariffs and Trade. Signed at Geneva September 14, 1948.

Department of State mimeographed report.

Second protocol of rectifications to the General Agreement on Tariffs and Trade. Signed at Geneva September 14, 1948.

Department of State mimeographed report.

Protocol modifying certain provisions of the General Agreement on Tariffs and Trade. Signed at Havana March 24, 1948.

TIAS 1763

Special protocol modifying article XIV of the General Agreement on Tariffs and Trade. Signed at Havana March 24, 1948.

TIAS 1764

Special protocol relating to article XXIV of the General Agreement on Tariffs and Trade. Signed at Havana March 24, 1948.

TIAS 1765

Civil Aviation

Convention on international civil aviation. Opened for signature at Chicago December 7, 1944.

TIAS 1591

Telecommunications, etc.

International telecommunication convention. Signed at Madrid December 9, 1932.

TS 867; 49 Stat. 2391

General radio regulations (Cairo revision, 1938) with appendixes and final protocol.

TS 948; 54 Stat. 1417

Sanitary Conventions

International sanitary convention for aerial navigation modifying the international sanitary convention for aerial navigation of April 12, 1933, with Annex. Opened for signature at Washington December 15, 1944.

TS 992; 59 Stat. 991

Protocol to prolong the international sanitary convention for aerial navigation, 1944, modifying the international sanitary convention for aerial navigation of April 12, 1933. Opened for signature at Washington April 23, 1946.

TIAS 1552

International sanitary convention modifying the international sanitary convention signed at Paris June 21, 1926. Opened for signature at Washington December 15, 1944.

TS 991; 59 Stat. 955

Protocol to prolong the international sanitary convention, 1944, modifying the international sanitary convention of June 21, 1926. Opened for signature at Washington April 23, 1946.

TIAS 1551

Narcotic Drugs

Convention and final protocols relating to the suppression of the abuse of opium and other drugs. Signed at The Hague January 23, 1912 and July 9, 1913.

TS 612; 38 Stat. 1912.

Convention for limiting the manufacture and regulating the distribution of narcotic drugs, and protocol of signature. Concluded at Geneva July 13, 1931.

TS 863; 48 Stat. 1543

Protocol amending the agreements, conventions, and protocols on narcotic drugs concluded at The Hague on 23 January 1912, at Geneva on 11 February 1925 and 19 February 1925, and 13 July 1931, at Bangkok on 27 November 1931 and at Geneva 26 June 1936, and Annex. Signed at Lake Success, New York, December 11, 1946.

TIAS 1671

Slave Trade, White Slavery

Convention to suppress the slave trade and slavery. Concluded at Geneva September 25, 1926.

TS 778; 46 Stat 2183

Agreement for the repression of the trade in white women. Signed at Paris May 18, 1904.

TS 496; 35 Stat. 1979

Safety at Sea; Maritime Regulations

Convention for promoting safety of life at sea, with regulations annexed. Signed at London May 31, 1929.

TS 910; 50 Stat. 1121

Ammendment to the international convention for promoting safety of life at sea signed at London May 31, 1929. Not signed but accepted by all the governments parties to the convention, which is regarded as being modified as from January 17, 1933.

TS 921; 51 Stat. 13

International load line convention. Signed at London July 5, 1930.

TS 858; 47 Stat. 2228

Modification of Annex II (6) (a) of the International Load Line Convention signed at London July 5, 1930.

Treaty Series 942; 53 Stat. 1787

Postal Convention

Universal Postal Convention, with final protocol, detailed regulations and provisions relating to the conveyance of letter mails by air, and final protocol. Signed at Cairo March 20, 1934.

Post Office Department print.

Exchange of Official Documents

Convention for the international exchange of official documents, scientific and literary publications. Concluded at Brussels March 15, 1886.

TS 381; 25 Stat. 1465

Convention for the immediate exchange of official journals, parliamentary annals, and documents. Concluded at Brussels March 15, 1886.

TS 382; 25 Stat. 1469

Publicaton of Customs Tariffs

Convention for the formation of an international union for the publication of customs tariffs, with regulations and final declarations. Signed at Brussels July 5, 1890.

TS 384; 26 Stat. 1518

Repression of Obscene Publications

Arrangement relative to the repression of the circulation of obscene publications. Signed at Paris May 4, 1910.

TS 559; 37 Stat. 1511

Renunciation of War

Convention for the pacific settlement of international disputes. Signed at The Hague October 18, 1907.

TS 536; 36 Stat. 2199

Treaty for the renunciation of war. Signed at Paris August 27, 1928.

TS 796; 46 Stat. 2343

Convention respecting the limitation of the employment of force for the recovery of contract debts. Signed at The Hague October 18, 1907.

TS 537; 36 Stat. 2241

Rules of Warfare

Convention relating to the opening of hostilities. Signed at The Hague October 18, 1907.

TS 538; 36 Stat. 2259

Convention respecting the rights and duties of neutral powers and persons in war on land. Signed at The Hague October 18, 1907.

TS 540; 36 Stat. 2310

Convention concerning the rights and duties of neutral powers in naval war. Signed at The Hague October 18, 1907.

TS 545; 36 Stat. 2415

Convention respecting the limitation of the employment of force for the recovery of contract debts. Signed at The Hague October 18, 1907.

TS 537; 36 Stat. 2241

Convention relating to the laws and customs of war on land. Signed at The Hague October 18, 1907.

TS 539; 36 Stat. 2277

Convention for the amelioration of the condition of the wounded and sick of armies in the field. Signed at Geneva July 27, 1929.

TS 847; 47 Stat. 2074

Convention relating to the treatment of prisoners of war. Signed at Geneva July 27, 1929.

TS 846; 47 Stat. 2021

Declaration prohibiting the discharge of projectiles and explosives from balloons. Signed at The Hague October 18, 1907.

TS 546; 36 Stat. 2439

Convention for the adaptation to maritime warfare of the principles of the Geneva convention. Signed at The Hague October 18, 1907.

TS 543; 36 Stat. 2371

Convention relative to the laying of automatic submarine contact mines. Signed at The Hague October 18, 1907.

TS 541; 36 Stat. 2332

Convention concerning bombardment by naval forces in time of war. Signed at The Hague October 18, 1907.

TS 542; 36 Stat. 2351

Convention relative to certain restrictions with regard to the exercise of the right of capture in naval war. Signed at The Hague October 18, 1907.

TS 544; 36 Stat. 2396

Convention for the exemption in time of war of hospital ships from the payment of all dues and taxes imposed for the benefit of the State. Signed at The Hague December 21, 1904.

TS 459; 35 Stat. 1854

Whamgpoo Conservancy

New agreement between China and certain powers for the Whang-Pu Conservancy. Signed at Peking September 27, 1905.

TS 448

Miscellaneous

Treaty recognizing the sovereignty of Norway over Spitzbergen. Signed at Paris February 9, 1920.

TS 686; 43 Stat. 1892.

Treaties and Agreements - Bilateral

Extraterritoriality

Treaty, and accompanying exchange of notes, relating to the relinquishment of extraterritorial rights in China and the regulation of related matters, signed at Washington January 11, 1943.

Article 1 provides: "All those provisions of treaties or agreements in force between the United States of America and the Republic of China which authorize the Government of the United States of America or its representatives to exercise jurisdiction over nationals of the United States of America in the territory of the Republic of China are hereby abrogated. Nationals of the United States of America in such territory shall be subject to the jurisdiction of the Government of the Republic of China in accordance with the principles of international law and practice."

T.S. 984; 57 Stat. 767.

Arbitration

Arbitration treaty, signed at Washington June 27, 1930

Article 1 provides: "All differences relating to international matters in which the High Contracting Parties are concerned by virtue of a claim of right made by one against the other under treaty or otherwise, which it has not been possible to adjust by diplomacy, which have not been adjusted as a result of reference to the Permanent International Commission constituted pursuant to the treaty signed at Washington September 15, 1914, and which are justiciable in their nature by reason of being susceptible of decision by the application of the principles of law or equity, shall be submitted to the Permanent Court of Arbitration established at the Hague by the Convention of October 18, 1907, or to some other competent tribunal, as shall be decided in each case by special agreement, which special agreement shall provide, if necessary, for the organization of such tribunal, shall define its powers, shall state the question or questions at issue, and shall settle the terms of reference."

T S 857, 47 stat, 2213

Treaty relating to the advancement of the cause of general peace, signed at Washington, September 15, 1914.

T.S. 619; 39 Stat. 1642.

Air transport

Air transport agreement and accompanying exchange of notes, signed at Nanking, December 20, 1946.

T.I.A.S. 1609

Parcel post

Parcel post convention, signed at Peking May 29, 1916 and at Washington, October 20, 1920.

39 Stat. 1665

Narcotic drugs

Arrangement for the direct exchange of certain information regarding the traffic in narcotic drugs, effected by exchange of notes signed at Nanking, March 12, June 21, July 28 and August 30, 1947.

Not printed

Commerce and navigation

Note: Upon the entry into force of the Treaty of Friendship, Commerce and Navigation, November 4, 1946, existing treaties will be superseded.

Diplomatic and consular exemptions

Agreement relating to the exemption from duty of the effects of diplomatic and consular officers, effected by exchange of notes signed at Washington September 29, October 31, November 11, and December 16, 1930.

Not printed

Visa fees

Agreement for the reduction of visa fees, effected by exchange of notes signed at Nanking April 9 and 29, May 8 and 10, 1935.

Not printed

US armed forces in China

Agreement relating to the presence of United States armed forces in China, effected by exchange of notes signed at Nanking August 29 and September 3, 1947.

T.I.A.S. 1715

In the note dated September 3, 1948, the Ministry of Foreign Affairs of the Republic of China made the following statement to the Ambassador of the US:

"The armed forces of the United States of America now stationed on Chinese territory are so stationed through the consent of the Chinese Government; it is mutually understood that when either the Chinese Government or the Government of the United States considers that these armed forces should be withdrawn, the armed forces must be withdrawn forthwith."

Agreement relating to claims resulting from activities of United States military forces in China, effected by the exchange of notes signed at Nanking October 13, 1947 and March 17, 1948.

T.I.A.S. 1776

Agreement relating to jurisdiction over criminal offenses committed by armed forces, effected by exchange of notes signed at Chungking May 21, 1943,

Effective "during the present war and for a period of six months thereafter."

E.A.S. 360; 57 Stat. 1248

Educational exchange (see also surplus property)

Agreement relating to the establishment of the United States Educational Foundation in China ("Fulbright agreement") signed at Nanking November 10, 1947.

T.I.A.S. 1687

$500 Million Credit of 1942

Agreement relating to financial aid to China, signed at Washington March 21, 1942 by Secretary of the Treasury Henry Morgenthau, Jr., and Chinese Minister for Foreign Affairs T.V. Soong.

Department of State Bulletin, March 28, 1942, page 263.

Under Public Law 442, February 7, 1942, the US made available to the Republic of China a credit of $500,000,000, all of which has been drawn. The agreement establishing this credit did not specify the terms of repayment and a settlement of this account remains to be negotiated.

Lend-lease

Preliminary agreement regarding principles applying to mutual aid in the prosecution of the war against aggression, signed at Washington June 2, 1942.

E.A.S. 251; 56 Stat. 1494.

Agreement relating to the disposition of lend-lease supplies in inventory or procurement in the United States, signed at Washington June 14, 1946.

T.I.A.S. 1533; 60 Stat. 1760.

Agreement implementing the June 2, 1942 preliminary agreement regarding principles applying to mutual aid in the prosecution of the war against aggression, signed at Washington June 28, 1946.

T.I.A.S. 1746.

Wartime lend-lease aid to the Republic of China totalled $849,360,232.

Postwar lend-lease aid of a military nature to the Republic of China totalled $726,888,293.

A settlement of the total of these lend-lease accounts, $1,626,998,525, has not yet been made. We have indicated to China the US desires to negotiate a settlement of about $286,000,000 of the total.

The relevant clauses of the original lend-lease agreement (June 2, 1942) with China are as follows:

Article V: "The Government of the Republic of China will return to the United States of America at the end of the

present emergency, as determined by the President of the United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America."

Article VII: "In the final determination of the benefits to be provided to the United States of America by the Government of the Republic of China in return for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Republic of China, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce; to the reduction of tariffs and other trade barriers; and, in general, to the attainment of economic objectives identical with those set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

"At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments."

Postwar lend-lease of civilian-type goods under the so-called "pipeline" agreement of June 14, 1946, totalled $48,592,030.35. The Republic of China agreed to repay this sum over a 30-year period, with an annual interest rate of 2-3/8 percent. As of October 31, 1948, $46,890,207.30 was outstanding on this debt.

The June 28, 1946 agreement provided for a military training program of $15,000,000, to expire December 31, 1947, and for the supply of Chinese occupation forces in Japan, to expire June 30, 1949. The latter clause has been inoperative, of course.

Surplus property

Agreement for the sale of certain surplus war property, and the supplement thereto, signed at Shanghai August 30, 1946.

Not printed.

Dollar credit arrangement for the purchase by China of American surplus property abroad (Dock-yard agreement), signed at Shanghai May 15, 1946.

Not printed.

Arrangement supplementing the May 15, 1946 dollar credit arrangement, signed January 24, 1948.

Not printed.

Bulk sale. The bulk sale agreement of August 30, 1946, between the US and the Republic of China provided for the sale to China of $500,000,000 (procurement cost) of movable property and $84,000,000 of fixed installations. Under this agreement also, the US contracted to make available $30,000,000 to cover the dollar cost of transportation and other expenses arising out of the handling and moving of this property.

As of September 30, 1948, property valued at $486,444,930 (including the $84,000,000 in fixed installations) had been made available to China.

As of September 30, 1948, approximately half of the fund of $30,000,000 had been expended, leaving a balance of about $15,000,000.

October 31, 1948 has been set as the termination date for declarations of surplus property under the bulk sale agreement. It has been anticipated that if any adjustments in the terms of the agreement are required (as per Article 5 of the agreement), these will be made in connection with an overall settlment of US Government claims against China.

China's committments under the Bulk Sale agreement are to make available the Chinese currency equivalent of

$20,000,000, for the implementation of bilateral agreements for research, instruction, and other educational activities, and

$35,000,000, for the payment of US Governmental expenses in China (at a rate of not more than $2,000,000 per year) and for the purchase and improvement of real estate.

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The Republic of China had made available as of September 1, the equivalent of approximately $5,000,000 for real estate purchases, etc., with an additional amount of about $5,000,000 outstanding. Of the $20,000,000 Fulbright fund, the yuan equivalent of $375,000 has been made available.

Also, Article 7(a) provides that "in connection with the fixed installations and the weather station and communication service equipment in China...China shall undertake by separate agreement...to operate and maintain weather and communication services in a manner, to an extent and within limits to be negotiated." The separate agreement contemplated by this article has not been negotiated.

Dockyard sale. The return for equipment valued at $10,795,962 for dockyards at Shanghai and Tsingtao, the Republic of China is obligated to repay over 30 years at 2-3/8 percent a total of $4,081,782, with the proviso that the annual payment may be waived in return for dockyard services rendered to US Government vessels.

West China sale. This sale which was arranged as the US Army abandoned its West China bases in 1945, obligated China to pay $20,000,000, on 3(c) terms (30 years at 2-3/8 percent), the contract embodying these terms to be negotiated later. The contract has not been negotiated.

Transfer of naval vessels under Public Law 512

Agreement and accompanying notes relating to the transfer of United States naval vessels and equipment to the Chinese Government pursuant to Public Law 512, 79th Congress, signed at Nanking December 8, 1947,

T.I.A.S. 1691

Public Law 512 authorizes the President to transfer 271 naval vessels and craft to the Republic of China on such terms as he may prescribe.

All vessels earmarked for transfer under the supplementary agreement of December 8, 1947, have been made available to China except for four (4) destroyer escorts. These must be taken over by China not later than December 31, 1948.

Under the 1947 agreement, China is not obligated to make payments of any kind. The Government of China does agree, however, (1) not to transfer any vessel or supplies without the written consent of the US, (2) not to disclose naval information or details of naval equipment without the written consent of the US, and (3) not to engage or accept the services of any personnel of any government except the US for duties connected with these vessels except by agreement with the US.

Export-Import Bank Loans

As of September 30, 1948, the Republic of China owed the Export-Import Bank $57,778,602.14.

As of the same date, $18,000,000 of Export-Import Bank funds was committed to the Republic of China or to private Chinese firms (with the Republic of China guaranteeing repayment) but was not yet disbursed.

Maritime Commission Ship Sales

Under the terms of the Merchant Ship Sales Act of 1946, the U^S Maritime Commission has sold to the Republic of China ships valued at $22,000,000. Of this amount $16,400,000 was covered by a credit to be repaid in cash over the life of the ships, with interest at 3½ per cent.

As of September 30, 1948, $15,948,960 was outstanding on this obligation.

Aid under ECA and PL 84

Agreement and exchange of notes providing for relief assistance to China under Public Law 84, 80th Congress, signed at Nanking October 27, 1947.

TIAS 1674

Economic aid agreement, signed at Nanking July 3, 1948.

Not as yet printed.

Agreement, pursuant to Section 407 of the China Aid Act of 1948, providing for the establishment of a Joint Commission on Rural Reconstruction in China, effected by exchange of notes signed at Nanking August 5, 1948.

Not as yet printed.

As of October 31, 1948, a total of $159,272,000 (of the $275,000,000 appropriated by Congress for economic aid to China) has not been spent.

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Under the Economic Aid Agreement of July 31, 1948, the US agreed to furnish assistance to the Government of the Republic of China under the terms of the China Aid Act of 1948. The Government of China committed itself to a number of actions, including:

1. Under Article II, to attempt to achieve maximum improvement of economic conditions in China.

2. Under Article III, to improve commercial relations with other countries.

3. Under Article IV, to achieve fair and equitable distribution of commodities provided by the US.

4. Under Article V, to establish a "special" local currency account in the Bank of China to be expended or used for specified purposes; any balance remaining on April 3, 1949 to be disposed of as agreed to by the US and Chinese Governments.

5. Under Article VI, to facilitate the transfer of materials to the US for stockpiling.

6. Under Article VIII and IX, to make information about the aid program available to the US, and to keep the people of China informed as to the progress and nature and extent of US assistance.

7. Under Article X, to receive special missions from the US and to grant their members diplomatic privileges.

8. Under Article XI, to submit to the International Court of Justice "any claim espoused [by the US Government] on behalf of one of its nationals against the government [of China]."

9. Under and exchange of notes of July 3, 1948, to grant most-favored-nation treatment to western Germany and the Free Territory of Trieste.

An agreement of October 27, 1947, pursuant to Public Law 84, containing provisions similar to those in the ECA agreement, also remains in force.

Military Aid

1. Of the $125,000,000 appropriated by Congress for military aid to China under the terms of the China Aid Act of 1948, approximately $14,000,000 had not been committed as of November 15, 1948.

   In addition, an indeterminate amount of the funds already committed were in the "pipeline" as of November 15; that is, contracts had been let but were unfulfilled in part or whole.

2. As of September 30, 1948, uncompleted OFLC contract for the sale of ammunition to China amounted to $195,000 (sales price which averaged about 6 cents per dollar of procurement value on the items involved.)

3. The 8 1/3 air group program has been only partially completed, particularly as regards spare and replacement parts.

United Nations

The Republic of China is a permanent member of the Security Council of the United Nations. China is represented on the following agencies, commissions, and special bodies affiliated with or established by the UN:

A. General Assembly

   1. Advisory Committee (1948)
   2. Contributions Committee (1948)
   3. Interim Committee
   4. Korean Commission
   5. Balkan Committee (Greek question)
   6. Non-self Governing Territories (special committee)
   7. Headquarters Advisory Committee

B. Security Council

   1. Military Staff Committee
   2. Atomic Energy Commission
   3. Commission for Conventional Armaments
   4. Committee of Experts
   5. Committee on Admission of New Members

C. Economic and Social Council

   1. Economic and Employment Commission
   2. Transport and Communications Commission
   3. Statistical Commission
   4. Commission on Human Rights